### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: September 11, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3125 (Mr. Patrick J. Leahy of Vermont)

Proponent name, location: SnowSports Industries America, McLean, VA

Other bills on product (109th Congress only): None.

**Nature of bill:** Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Men's or boys' water resistant ski/snowboard pants of synthetic fibers (provided for in subheading 6203.43.35).

**Check one**: \_\_\_ Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

#### Product information, including uses/applications and source(s) of imports:

According to the proponent, the products of interest are water-resistant<sup>3</sup> ski or snowboard pants, rather than pants merely styled to look like ski or snowboard wear. Ski/snowboard pants are ankle-length pants made of synthetic textile fabrics. These pants may be made with or without insulation for cold weather protection; with pockets (at least one of which has a zippered or hook and loop closure), sealed seams at the front (up to the zipper or other means of closure) and back rise, and hidden leg sleeves with a means of tightening at the ankle; and with one or more of the following: side openings, scuff guards or reinforcement in the seat. A sealed seam is one that has been taped, glued, bonded, cemented, fused or otherwise closed so that air and water cannot pass through.<sup>4</sup> These ski/snowboard pants are primarily imported from Bangladesh, Hong Kong, India, Indonesia, Macao, Vietnam and China.

Industry analyst preparing report: Joe Kowalski (202-205-3323); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>.

<sup>&</sup>lt;sup>3</sup> Additional U.S. note 2 to chapter 62 of the HTS sets forth the applicable legal criteria for a garment to be classified in particular subheadings as being "water resistant."

<sup>&</sup>lt;sup>4</sup> See statistical note 4 to chapter 62 of the HTS.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>6203.43.35</u>										
$\searrow$	2006	2007	2008	2009	2010					
Col. 1-General rate of duty	7.1%	7.1%	7.1%	7.1%	7.1%					
Estimated value <i>dutiable</i> imports	\$4,003,640	\$4,083,713	\$4,165,387	\$4,207,041	\$4,249,111					
Customs revenue loss	\$284,258	\$289,944	\$295,742	\$298,700	\$301,687					

Source of estimated dutiable import data: Commission estimates based on official U.S. Government statistics and industry estimates.

#### Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
SnowSports Industries America (Proponent) Katharine J. Mueller, Counsel, DLA Piper Rudnick Gray Cary, 202-861-3407	07/19/2006	No	No	No
Outdoor Industry Association Mark Haney, 202-216-9307	07/12/2006	No	No	No

#### **Technical comments:**<sup>5</sup>

To conform more closely with the product of interest to the proponent while using terms already defined in the HTS, it is suggested that the proposed article description be modified as shown on page 1.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

## S. 3125

To suspend temporarily the duty on ski and snowboard pants.

#### IN THE SENATE OF THE UNITED STATES

May 25, 2006

Mr. Leahy introduced the following bill; which was read twice and referred to the Committee on Finance

### A BILL

To suspend temporarily the duty on ski and snowboard pants.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SKI AND SNOWBOARD PANTS.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	9902.62.01	Ski/snowboard pants (provided for in					1
		subheading 6203.43.35)	Free	No change	No change	On or before	ĺ
						12/31/2009	".

- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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